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SUBJECT: COSTA RICAN VIEWS ON ECUADOR WTO CASE ON BANANAS

¶1. Vice Minister for Foreign Trade Amparo Pacheco gave the following answers to us when we inquired about whether the GOCR planned to join Ecuador's WTO case against the EU on bananas.

¶2. Question: Will Costa Rica join Ecuador in the arbitration panel against the European Union?

Answer: No, Costa Rica has decided to continue negotiating since Costa Rica considers that negotiation is the best way to reach the necessary agreements to protect the national interests on this subject. Last Friday the Doha Round resumed deliberations, precisely in the agricultural field, and tomorrow Thursday, the Trade Negotiations Committee will gather, making it possible to re-launch banana negotiations in that context.

¶3. Question: Could Central American countries joining Ecuador in this process against the European Union have any effect on the start of the negotiations of an economic association agreement between Central America and the European Union?

Answer: There will be Central American countries that will join the case and there will be others that will not. Costa Rica will respect each country's decision and we know that they will respect ours, because what motivates each of us are our specific commercial interests and not simply regional solidarity. Costa Rica has been an active and successful country in WTO litigation, but in some cases it is not litigation but negotiation that is the best way to proceed, and the Costa Rican banana sector and this ministry believe that this is the case in this matter. On the other hand, we are aware of statements by European authorities affirming that they would not start a negotiation process with a region where there were countries that have started an arbitral process against them.
FRISBIE